

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING**

July 12, 2022

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, July 12, 2022, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

President Sear called the meeting to order at 1:00 p.m.

1.1 Roll Call

Directors Present:

Debra Canero, Dennis Coleman, Mike Duran, Scott Sear, William Teague

Staff Present:

Beverli Marshall, Holly Gould, Jeanette Juarez, Dave Commons, Ron Buchwald, Tino Tijerina, Ray Marroquin, Matthew Pittelli, Ivan Monroy, Adrian Contreras, and Bob Hargreaves, Best Best & Krieger

1.2 Pledge of Allegiance

1.3 July Employee Anniversaries

- Adrian Contreras, Assistant Engineer – 6 Years
- Daniel Mills, Maintenance Technician II – 4 Years
- Ivan Monroy, Environmental Compliance Technician II – 4 Years
- Jeanette Juarez, Chief Administrative Officer – 2 Years
- Ray Marroquin, Maintenance Technician I – 1 Year
- Matthew Pittelli, Electrical/Inst. Technician I – 1 Year

The Board of Directors thanked Adrian, Daniel, Ivan, Jeanette, Ray, and Matthew for their years of service and continued commitment to Valley Sanitary District.

2. PUBLIC COMMENT

This is the time for public comment on any item not appearing on the agenda. Please notify the Secretary in advance of the meeting if you wish to speak on a non-hearing item.

None.

3. CONSENT CALENDAR

3.1 Approve Minutes for June 28, 2022, Regular Meeting

- 3.2 Approve Warrants for June 9, 2022, through June 22, 2022
- 3.3 Receive Notice of Completion for ASP Watermain Replacement Project and Authorize Payment Application No. 1 to Van Dyck for \$122,626
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ACTION TAKEN:

MOTION:

Director Duran motioned to approve the consent calendar as presented and to acknowledge Change Order No. 1 for the ASP Watermain Replacement Project for \$2,080. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3213

4. NON-HEARING ITEMS

- 4.1 Authorize the General Manager to Execute Task Order No. 22-01 to Extend the Contract with Harris & Associates for One Year to Provide Design and Construction Management on Multiple Projects for an Additional \$953,607

In August 2017, the Board awarded the Collection System Program & Design Manager Project to Harris and Associates. The Request for Proposal (RFP) was to solicit a proposal from a consultant for a 10-year program to rehabilitate and/or replace sewer mains as needed throughout our collection system. The RFP states that the consultant would agree to a five-year contract with additional one-year agreements. This year marks the end of the five-contract. Staff has been working with Harris & Associates to develop the next phase of the program. Phase 4 will continue the efforts of reviewing CCTV video inspections as well as programming several rehabilitation and replacement projects. Also included in the scope of work are construction management and inspection services for two projects planned for FY 2022-23. Staff requests the Board to award one additional year to Harris & Associates under the existing master contract. The District's legal counsel has reviewed the RFP, Master Services Contract, and VSD's purchasing policy and concludes that the option to extend the contract is within the District's policy and Board approval. Staff will then solicit a consultant through a new RFP process this year.

ACTION TAKEN:

MOTION:

Director Duran motioned to authorize the General Manager to execute Task Order No. 22-01 with Harris & Associates for one year to provide design and construction management on multiple projects for an additional \$953,607. Vice President Canero seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3214

- 4.2 Authorize Payment Application No. 1 for Recycled Water Project – Phase I and Authorize the Board President to Approve a Wire Transfer to Schneider Electric Inc. in the Amount of \$6,986,994.20

On May 24, 2022, the Board of Directors approved contract amendment No. 1 to the contract with Schneider Electric that approved the guaranteed maximum price for the Recycled Water Project – Phase 1. Schneider Electric has submitted payment application No. 1 for \$6,986,994.20, which includes most of the design costs to date and a fraction (3.16%) of the construction items to cover planning and development.

ACTION TAKEN:

MOTION:

Vice President Canero motioned to approve Payment Application No. 1 for the Recycled Water Project – Phase 1 and authorize the Board President to approve a wire transfer to Schneider Electric Inc. in the amount of \$6,986,994.20. Director Duran seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3215

- 4.3 Authorize Payment to CalPERS for the Annual Lump Sum Prepayment of the Unfunded Accrued Liability for Fiscal Year 2022-23 in the Amount of \$712,104

Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members currently receiving benefits, active members, and members entitled to deferred benefits as of the valuation date. An annual lump-sum prepayment option of the UAL is available for employer contributions to CalPERS. The lump sum is a discounted amount compared to the sum of the twelve-monthly installments, which include a 3.3% interest. This year's lump sum prepayment of the UAL is \$712,104, payable to CalPERS.

ACTION TAKEN:

MOTION:

Secretary/Treasurer Coleman motioned to authorize the payment of \$712,104 to CalPERS for the annual lump-sum prepayment of the Unfunded Accrued Liability. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3216

- 4.4 Authorize the General Manager to Execute a One-Year Contract Extension with Innovative Federal Strategies to Advocate on Wastewater and Recycled Water-Related Legislation and Policies in Washington D.C. in an Amount Not to Exceed \$79,500

Innovative Federal Strategies (IFS) provided federal advocacy services to the District through June 30, 2020, when funding was eliminated during the COVID-19 pandemic. As part of the Combined Budget for Fiscal Year 2021/22, the Board reinstated funding for these services, and the General Manager executed a contract with a term of July 1, 2021, through June 30, 2022. Staff contacted IFS for an updated scope and cost of services for Fiscal Year 2022-23. They proposed a slight increase of \$4,500 (6%) for an amount not to exceed \$79,500, which is in line with the inflation of other goods and services.

ACTION TAKEN:

MOTION: Director Duran motioned to authorize the General Manager to execute a one-year contract extension with Innovative Federal Strategies to advocate for wastewater and recycled water-related legislation and policies in Washington D.C. in an amount not to exceed \$79,500. Director Teague seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None

MINUTE ORDER NO. 2022-3217

- 4.5 Request for Feedback and Direction Regarding the Number of Board Compensated Meetings

On June 28, 2022, at the Regular Board of Directors Meeting, staff was asked to bring back information regarding allowable compensated days of service. The Health and Safety Code 6489 states that "each of the members of the board shall receive compensation in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not exceeding a total of six (6) days in any calendar month, together with any expense's incident thereto". District counsel stated that the District was established as a sanitary agency under the Health and Safety Code and must adhere to those guidelines.

5. GENERAL MANAGER'S ITEMS

- 5.1 Monthly General Manager's Report – May 2022

A discussion took place about Covid-19 guidelines and updates.

6. COMMITTEE REPORTS

- 6.1 East Valley Reclamation Authority – June 29, 2022

Secretary/Treasurer Coleman and Director Teague updated the Board on the East Valley Reclamation Authority (EVRA) meeting held June 29, 2022. The EVRA Board adopted the Budget for Fiscal Year 2022/23, which included VSD's and Indio Water Authority's \$200,000 annual contribution. They also reported on what the next steps are in the feasibility studies for the Recycled Water Project.

6.2 Budget & Finance Committee Meeting – July 5, 2022

Secretary/Treasurer Coleman and Vice President Canero updated the Board on the Budget & Finance Committee Meeting held July 5, 2022. The committee discussed Board compensation, the District's Investment Policy, rate review, and District's financial plan. After discussion, the committee suggested holding a special board meeting to thoroughly discuss and review the sewer rates, financial plan, and VSD Master Plan.

7. **DIRECTOR'S ITEMS**

None.

8. **INFORMATIONAL ITEMS**

None.

9. **PUBLIC COMMENT** - None

This is the time for public comment on any item discussed in Closed Session.

President Sear called for a short recess at 2:51 p.m. The Board of Directors reconvened at 2:57 p.m. Roll call was taken, and all Directors were present.

10. **CONVENE IN CLOSED SESSION**

Items discussed in Closed Session comply with the Ralph M. Brown Act.

10.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)

Title: General Manager

10.2 LABOR NEGOTIATIONS

Pursuant to Government Code Section 54957.6

Title: General Manager

The Board adjourned to Closed Session at 2:57 p.m.

11. **CONVENE IN OPEN SESSION**

Report out on Closed Session items

The Board reconvened in open session at 4:56 p.m. Legal counsel stated nothing to report.

12. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 4:57 p.m. The next regular Board meeting will be on July 26, 2022.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District